

California Department of Corrections

Financial Information Memo

SUBJECT:	FIM NUMBER:
Employee and Inmate Personal Property Board of Control Claims \$300 or Less	2001-05
REFERENCES:	DATE:
State Administrative Manual, Chapter 8423 Government Code Section 935.6 Department Operations Manual, Sections 22070 & 54100.22	April 30, 2001

DISTRIBUTION

Associate Wardens, Business Services
Health Care Managers
Parole Regional Administrators
Regional Accounting Office Managers
Headquarters Accounting Services Section
Inmate Welfare Fund/Trust Accounting Section
Office of Compliance/Inmate Appeals

PURPOSE

The California Department of Corrections (CDC) has been given delegated authority by the State Board of Control (BOC), pursuant to Government Code Section 935.6, to pay all employee and inmate personal property claims that do not exceed \$300. This Financial Information Memo provides procedures for processing and payment of these BOC claims in addition to the CDC reporting requirements.

BACKGROUND

Legislation and rulings by the BOC and the Department of Finance (DOF) have resulted in a revised payment process and new reporting requirements for BOC claims. The CDC was delegated authority effective December 1998 to settle and pay staff and inmate personal property claims that do not exceed \$300. The CDC, Office of Financial Management, is required to apply to DOF and BOC annually for delegated authority

DISCUSSION

EMPLOYEE PROPERTY CLAIMS

The CDC is authorized to pay for repair or replacement of an employee's damaged or stolen personal property when it is worn or used by an employee in the course of employment. Employee property claims will be processed in accordance with the Department Operations Manual (DOM) Section 22070; State Administrative Manual (SAM) Section 8423 and CDC 892 Employee Claim for Loss or Damage to Personal Property ([Attachment A](#)).

Employee preparation of claims:

California Department of Corrections

Financial Information Memo

Employee and Inmate Personal Property
Board of Control Claims \$300 or Less
Page 2

Claims for repair or replacement of personal property valued at \$300 or less must be submitted using CDC Form 892. An official incident or investigation report of theft must accompany all claims involving stolen property (DOM Section 22070.4).

INSTITUTION EMPLOYEES

Approval of claims:

Institution employees submit CDC Form 892 and accompanying documents through their supervisor to the institution business office. The supervisor will first review for the following:

- Confirm employee's statement.
- Recommend reimbursement or replacement.
- Provide measures taken to prevent recurrence of such incidents.

Institution employees claims will then be forwarded to the Warden or designee for approval or denial.

Approved institution employee claims:

If the Warden or designee approves the claim it must be forwarded to the respective Regional Accounting Office (RAO) where a claim number may be assigned for internal identification purposes and a claim schedule will be prepared and submitted to the State Controllers Office (SCO) for payment.

Employee claims must include the following information:

- Employee Claim for Loss or Damage to Personal Property ([Attachment A](#)).
- Approval to Pay BOC Claim Letter ([Attachment B](#)).
- Vendor Data Record/Payee Data Record (STD. 204).
- Release from Litigation ([Attachment C](#)).

All Employee claim documents must be completed prior to forwarding to the respective RAO.

Denied institution employee claims:

If the Warden or designee denies the claim they shall return the claim to the claimant and will also send a denial letter detailing reasons for the denial ([Attachment E](#)).

A copy of the denial letter must be sent to the Headquarters Accounting Services Section (HASS) BOC Coordinator.

ADMINISTRATIVE OR FIELD OFFICE EMPLOYEES

California Department of Corrections

Financial Information Memo

Employee and Inmate Personal Property
Board of Control Claims \$300 or Less
Page 3

Approval of claims:

Administrative and field office employees submit CDC Form 892 and accompanying documents through their supervisor to the Chief Financial Officer, Office of Financial Management for approval or denial. The supervisor will first review for the following:

- Confirm employee's statement.
- Recommend reimbursement or replacement.
- Provide measures taken to prevent recurrence of such incidents.

Approved administration or field office employee claims:

If the Chief Financial Officer or designee approves the claim it must be forwarded to the HASS BOC Coordinator where a claim number will be assigned for internal identification purposes and a claim schedule will be prepared and submitted to the SCO for payment.

Employee claims must include the following information:

- Employee Claim for Loss or Damage to Personal Property ([Attachment A](#)).
- Approval to Pay BOC Claim Letter ([Attachment B](#)).
- Vendor Data Record/Payee Data Record (STD. 204).
- Release from Litigation ([Attachment C](#)).

All Employee claim documents must be completed prior to forwarding to HASS BOC Coordinator.

Denied administration or field office employee claims:

If the Chief Financial Officer or designee denies the claim they shall return the claim to the claimant and will also send a denial letter detailing reasons for the denial ([Attachment E](#)).

A copy of the denial letter must be sent to the HASS BOC Coordinator.

INMATE/PAROLEE PROPERTY CLAIMS

California Department of Corrections

Financial Information Memo

Employee and Inmate Personal Property
Board of Control Claims \$300 or Less
Page 4

The CDC is authorized to pay for an inmate/parolee's personal property when they believe the state is responsible for loss or damage to personal property. Inmate/parolee property claims will be processed in accordance with inmate appeal process DOM Section 54100.22. The inmate/parolee must first try to resolve the matter with the department employee who was on duty at the time and place that the damage or loss allegedly occurred

Appeal process:

If the informal attempt is unsuccessful, the inmate/parolee may file an appeal on CDC Form 602. The appellant has fifteen days in which to file a property appeal. There are three levels of review for approval or denial of each claim. The appeal may be granted or denied at each level of review. If approved at first level the claim will be paid and the appeal process ends. If denied it goes to the second level and so on.

The first level review shall consist of an examination and assessment of the damaged property or a thorough search for the lost property (DOM Section 54100.22.2).

The second level review shall consist of an evaluation of the first level's investigation and search effort (DOM Section 54100.22.3)

The third level review shall include an evaluation of prior review recommendations and, if necessary, new interviews of the involved parties and witnesses, and on-site review of physical evidence, operational procedures and practices (DOM Section 54100.22.4)

Approved inmate/parolee claims must be forwarded by the Institution to their respective RAO. The RAO may assign a claim number for internal identification purposes and a claim schedule will be prepared and submitted to SCO for payment.

When the inmate/parolee claim is approved, the Appeals Coordinator, in the Institution, will issue a Modification Order. The Modification Order is a request by the institution to the RAO to pay the claim. When completed as ordered the Institution will receive a copy documenting the payment was made and the appeal has been resolved.

Inmate claims must include the following information:

- Inmate/Parolee Appeal Form (CDC 602)

California Department of Corrections

Financial Information Memo

Employee and Inmate Personal Property
Board of Control Claims \$300 or Less
Page 5

- Approved to Pay BOC Claim Letter ([Attachment B](#)).
- Vendor Data Record/Payee Data Record (STD. 204).
- Inmate/Parolee Release of Liability Letter ([Attachment D](#)).

All Inmate claim documents must be completed prior to forwarding to the respective RAO.

Denied inmate/parolee claim appeals package shall be returned to the claimant and they will also receive a denial letter detailing the reasons for the denial ([Attachment E](#)).

A copy of all denial letters at all levels must be sent to the HASS BOC Coordinator.

The DOM Sections 22070 and 54100.22 are being revised to reflect the current BOC delegated authority amount of \$300.

ACTION REQUIRED

CLAIM SCHEDULE PROCESS

Administration and field office BOC claims \$300 or less will be processed for payment by HASS. The RAO's will process and pay Institution BOC claims \$300 or less. Approved BOC claims are processed as regular direct pay claim schedules. Employee property and inmate property claims are not reportable. They are considered reimbursements. Use Agency Object Detail codes 568.90 and 568.95 respectively to pay these claims.

REPORTING REQUIREMENTS

Delegated authority was granted under the condition that CDC provides DOF and BOC quarterly reports of all paid claims \$300 or less. In order to maintain its delegated authority, CDC must complete the reports timely. Each Accounting Office reports this information to HASS monthly. The report form for Settlements, Judgements, and Board of Control Claims \$300 or Less (Attachment F) is designed for multiple use. Indicate "BOC" in the appropriate column. The HASS BOC Coordinator must receive your report no later than the 10th of each month. HASS will compile the information and forward the report to BOC and DOF. If no claims \$300 or less were denied or paid, please send a report indicating "none".

Information on the report must include the following:

- Name (Employee/Inmate Name)
- Settlement, Judgement, or BOC column. (Indicate BOC)

California Department of Corrections

Financial Information Memo

Employee and Inmate Personal Property
Board of Control Claims \$300 or Less
Page 6

- Approved Amount of Claim
- Type or Reason for Claim or Case (See Legend at Form Bottom)
- Plaintiff-Inmate or Employee (Enter One)
- Headquarters or Institution Name
- Date Processed (Date BOC Sent to SCO)

You may mail your reports to:

Headquarters Accounting Services Section
P.O. Box 187019
Sacramento, CA 95818-7019
Attn: Board of Control desk

Alternatively, you may email your reports to YScott@adminsvcs.corr.ca.gov.

If you have further questions regarding this FIM, please contact Paul Thatcher, Chief, Accounting Policies and Procedures Section, at (916) 322-6051 or CALNET 492-6051.

Original signed by Wendy Still

WENDY STILL
Chief Financial Officer
Office of Financial Management

Attachments

cc: Chief Deputy Director
Deputy Directors
Institutions Division Regional Administrators
Health Care Services Regional Administrator

California Department of Corrections

Financial Information Memo

Employee and Inmate Personal Property
Board of Control Claims \$300 or Less
Page 7

Wardens

Assistant Deputy Directors

Timothy Gilpin, Regional Accounting-North

Carol Gardemal, Regional Accounting-South

William Dougherty, Accounting Management Branch

Kim Garcia, Headquarters Accounting Services Section

Yvonne Scott, Headquarters Accounting Services Section

Paul Thatcher, Accounting Policies and Procedures Section

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